



Town of Groton, Connecticut

Meeting Minutes

Town Council Committee of the Whole

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Mayor Harry A. Watson, Councilors Peter J. Bartinik, Jr., Natalie Burfoot Billing, Heather Sherman Bond, Catherine Kolnaski, Frank O'Beirne, Jr., Paulann H. Sheets, Thomas J. Skrmetti, and Elissa T. Wright.

Tuesday, November 9, 2004

6:00 PM

Town Hall Annex - Community Room 1

SPECIAL MEETING

1. CALL TO ORDER

Mayor Watson called the meeting to order at 6:02 p.m.

2. ROLL CALL

Members Present: Mayor Watson, Councilor Bartinik, Jr., Councilor Billing, Councilor Bond, Councilor Kolnaski, Councilor O'Beirne, Jr., Councilor Sheets and Councilor Skrmetti
Members Absent: Councilor Wright

Also present were Town Manager Mark Oefinger, Assistant to the Town Manager Lee Vincent and Executive Assistant Nicki Bresnayan.

3. Calendar and Communications

Councilor Sheets read a memo she received from David Scott, Chairman of the Inland Wetlands Agency, regarding the concept of funding independent consultants to aid the Agency in reviewing complex applications. Councilor Sheets requested a referral to the Environment Committee. (Note: Referral 2004-0282 Funding Land Use Application Special Studies is already in the Environment Committee.)

Councilor Sheets received letters from David Helmold, Richard Gudis, and John Sutherland regarding budget issues. Also Mr. Gudis is disappointed that the Council didn't establish a Charter Revision Committee.

4. Approval of Minutes

2004-0313 Approval of Minutes (Committee of the Whole)

RESOLUTION ACCEPTING COMMITTEE OF THE WHOLE MINUTES

RESOLVED, that the minutes of the Town Council Committee of the Whole of October 26, 2004 are hereby accepted and approved.

A motion was made by Councilor Skrmetti, seconded by Councilor Bartinik, Jr., to adopt.

The motion carried unanimously.

5. UNFINISHED BUSINESS

None.

6. NEW BUSINESS

2003-0177 Renovations & Additions to Groton School Facilities - Phase I

Discussed

The Council received a briefing paper and a copy of the proposed scope of services for the architect, which was reviewed by Gary Schneider, Director of Public Works. The Town uses AIA Contract Documents so that all required documents are coordinated. The B141 standard form for architectural services spans the life of the project. The selected architects, Jeter, Cook and Jepson, were asked to prepare a draft agreement following the B141 format. Public Works staff

reviewed a draft scope of services and a meeting was held with the architect to negotiate terms and conditions. The acceptable draft was reviewed by the Town Attorney and Risk Management. Mr. Schneider reviewed the specific items covered in Parts I and II of the AIA Document B141. The Proposed Scope of Services outlines specific services (provided by the architect as well as the Town) and is approved as part of the contract. Mr. Schneider then reviewed the professional services funding allocation noting that \$8,408,100 was approved at referendum and \$6,788,375 was the negotiated fee. The next step is the standard form of agreement between the Town and the Construction Manager and General Conditions of the Contract for Construction. Contracts must be signed in November. The length of the contract is 40 months. Mr. Schneider reviewed various project-related items that will be accessible from the Town's web site.

Councilor Wright arrived at 6:12 p.m. Councilor Bartinik left at 6:15 p.m.

Roll Call: Members Present: Mayor Watson, Councilor Billing, Councilor Bond, Councilor Kolnaski, Councilor O'Beirne, Jr., Councilor Sheets, Councilor Skrmetti and Councilor Wright
Members Absent: Councilor Bartinik, Jr.

Discussed

Councilor Sheets questioned the lack of funds for remediation of contamination at the King property. Mr. Schneider explained that all environmental evaluations, inside and outside, will be completed by a haz mat firm hired by the Town. The RFPs for that portion of the project will be brought to the Permanent School Building Committee next week. The Town Manager noted there is a mandatory review by DEP as part of the normal school construction process. Although there is a provision to make a special request for a voluntary program, the Town Manager would prefer and recommend going through the normal process only. Town Manager Oefinger stated that before any money is received from the State, the Department of Education forwards the project to DEP up to six months in advance for DEP's sign off. Councilor Sheets requested additional information on the normal process for DEP review.

Councilor Wright noted previous land use approvals on the King property that included significant open space deeded to the Town. She asked if Town staff has reviewed the previous site plans for the property and discussed with the Environmental Planner the reasons for the open space dedication. The Town Manager stated there has not been a specific discussion. He reviewed the history of the King property and proposed Oak Run development noting that the open space that was set aside was everything outside of the multi-family zoning designation. The open space area also happens to correspond with the most sensitive areas of the site. Councilor Wright noted a follow up recommendation by the Conservation Commission to preserve part of the property. Rick Norris, Chairman of the Permanent School Building Committee, reassured the Committee that the school project must go through land use approvals like any other development so those issues will be considered by the appropriate land use agencies at that time.

Councilor Billing asked when the bulk of the work will be done at the high school. Mr. Schneider stated the Town only has a broad schedule at this time, and no details have been worked out with the architect.

Councilor Sheets noted no reference to an Army Corps of Engineers permit and Mr. Norris stated if required, the architect will be aware of it. She asked if there will be a rolling completion of the high school. Mr. Norris stated we will determine what we can afford, and how to do it to minimize impact on the high school. The architect will have one person stationed in Town for the project. Councilor Sheets questioned the relationship between the Construction Manager as Agent and the architect's project manager. Mr. Schneider explained that the Construction Manager acts as the general contractor, and the architect's representative assures that work is completed as specified with changes as necessary. The architect is also responsible for providing accurate as-built plans.

Town Manager Oefinger stated the contract will be signed in the next week by the Director of Public Works, Director of Finance, and the Town Manager. The Town Attorney has reviewed that

process along with the form of the contract and insurance issues.

2004-0197 FYE 2005 Budget Recap with RTM

Discussed

See 11/9/04 Committee of the Whole discussion of 2004-0312 FYE 2006 Budget.

2004-0155 Budget Review Process

Discussed

See 11/9/04 Committee of the Whole discussion of 2004-0312 FYE 2006 Budget.

2004-0312 FYE 2006 Budget

Discussed

Town Manager Oefinger stated these three referrals are interrelated. The intent is to look ahead to next year's budget. Staff has attempted to address a number of the items raised at the last Committee of the Whole meeting. Director of Finance Sal Pandolfo distributed a handout with two year forecast projections. He explained there are a number of assumptions included in the projections including a grand list increase of 1%; no increase in state or federal aid; and an increase in expenditures based on the last ten year's average. The figures do not include debt service for schools or liability for post employment benefits in FYE 2007.

Town Manager Oefinger noted that the estimates for revenue sources are flat to be conservative, which shows up in the projected mill rate increase. Another assumption is holding the fund balance at 7% which the Council may want to change.

The mill rate impact associated with schools will appear in FYE 2007. Mr. Pandolfo pointed out that maturing bonds will also affect the numbers. The Town's policy regarding fund balance is a minimum of 5%. The GFOA recommends 5% to 15%. Councilor Skrmetti would like the Council to set upper limits for fund balances. The Town Manager reviewed a sheet showing estimated fund balances for all funds.

Councilor Bartinik returned to the meeting at 6:53 p.m.

Roll Call: Members Present: Mayor Watson, Councilor Bartinik, Jr., Councilor Billing, Councilor Bond, Councilor Kolnaski, Councilor O'Beirne, Jr., Councilor Sheets, Councilor Skrmetti and Councilor Wright

Discussed

The Town Manager expressed his support for a policy on Capital Reserve that would raise it. Councilor Skrmetti recommended 8.5% for the General Fund balance upper limit.

Mr. Pandolfo noted the following average increases in expenditures were used for this exercise: Town Operations - 3.5%; Education - 3.3%; Outside Agencies - 3.6%; Subdivisions - 2.8%.

Councilor Billing does not support decreasing services. She suggested that a 1.37 mill increase is not unreasonable for one year, and the Council could continue to work on some things to keep the mill rate down. She would like to increase the fund balance, or at least not decrease it below 7%. In general, Councilor Billing would prefer small incremental increases over time rather than a large jump.

Councilor Wright suggested that the Council look at how much of the Town budget should be supported by local property taxes. She feels the Council should advise the Town Manager that they do not look favorably on any tax increases for the next year. The mill rate should be set at a level that will generate the same revenues as this year, and the budget can be created around those revenues. The Town cannot expect the taxpayers to make up the difference in state revenues. Councilor Wright suggested that if staff cannot find further efficiencies, then a citizen's task force could be established.

Councilor O'Beirne noted the projected annual percent increase in expenditures equates to a higher percentage increase in taxes, which is what concerns the average citizen. The Council should look at a smaller increase in expenditures to lower the percent increase in taxes.

Councilor Billing hopes that the budget process will leave room for increased revenues from the state and not set the bar too low at this point.

Councilor Bond noted that the figures do not take into account the revaluation. Property taxes are a huge issue and the Town cannot continue to increase the budget every year. Councilor Bond would advocate looking at the budget on the Town side, department by department, and considering what services would be lost with a 75% budget. She suggested polling the entire town to get a consensus on what services people are willing to live with or without.

Mayor Watson noted that the Representative Town Meeting was very clear about what they want to see and they are a big part of the budget process.

Councilor Sheets stated that although she appreciates the RTM's input, the Town Council's job is different under the Charter. Councilor Sheets agreed with Councilor Bond's suggestion to take a radical look at the Town budget at the department level and also to encourage the Board of Education to do the same thing. Councilor Bond explained that this would be an exercise to figure out priorities at the department level. Councilor Skrmetti agreed that services should be prioritized, but he feels it is the Council's responsibility to make those decisions, rather than polling the public.

Councilor Bartinik feels it is appropriate to have a detailed set of minutes of the budget process. Town Manager Oefinger noted that the RTM takes narrative minutes; the Town Council minutes are in a table form and include motions and how each Councilor voted. There is a succinct running record at each step of the process. The Manager indicated he would get copies of both sets of minutes for the Council's review.

Councilor Bartinik made the following comments:

- A large portion of revenue comes from the state and the Town has no control over it, but the Council is responsible for the budget and has control over it.*
- He does not believe that a decrease in the budget will result in a great reduction in services.*
- He welcomes the involvement of all of the organizations that work with the Council on the budget. He requested feedback from the Board of Education regarding the percentage split between the Town Operations and Board of Education portions of the budget.*
- The Council will not spend more than it deems appropriate, regardless of comments by the RTM. A zero increase budget does not exclude the RTM.*
- The Council should take steps to reverse the large tax increase imposed on the taxpayers in the past.*
- The Council needs to get the unions on board and send the message that the Town can't afford the wage increases.*
- He does not feel it is reasonable to have moderate increases in the mill rate year after year. Increases should come from the Grand List.*
- Hard decisions regarding the budget cannot be made unless the Council has the full support of the Town Manager and Department Heads. There must be a dialog on priorities.*

Councilor Billing responded that she agrees that the Council must take responsibility for the budget. Last year, small reductions were proposed that resulted in changes the Council didn't want to make. Councilor Billing agrees that priorities must be identified if the majority of the Council agrees with Councilor Bartinik's position. The RTM is representative of the Town and they are saying they can live with moderate increases. No one wants to increase taxes, but people

do want to preserve services. The cost of everything increases so it is logical that taxes will also go up. The 5.9% increase in taxes is higher than Councilor Billing would like to see. She suggested finding a compromise number as a starting place. Then the Council can talk about prioritizing and reducing at the department level, recognizing that last year the Council couldn't agree on where to make those reductions in service.

Councilor O'Beirne thinks that the Council has always received outstanding support from the department heads and Town Manager at budget time. It is easy to say there is a need to prioritize, but hard to do from department to department. He suggested directing the Town Manager to come up with a budget that preserves existing services. If departments desire new services, they should do a cost analysis. Mayor Watson agreed wholeheartedly.

Councilor Wright supported prioritization. She suggested there would be a 9% increase in property tax revenues if there were no change to the Grand List. Mr. Pandolfo noted that to eliminate the 1.37 mill increase, the Town would need to decrease expenditures by about \$3,000,000. Councilor Wright noted the potential cost savings associated with combining the Town and Board of Education's health insurance programs.

Mayor Watson summarized alternatives discussed as follows: 1) a budget to maintain services; 2) a 0% increase budget and maintenance of services; 3) a department by department prioritization of services; and 4) an exercise to show a 25%-40% reduction in department budgets.

Councilor Bond noted a 30% reduction scenario forces managers to think outside the box.

Discussion followed on asking the department heads to prioritize services and functions. Councilor O'Beirne suggested that the Council cannot pull out individual "building blocks" to decrease the budget. Any reductions will be across the board.

Councilor Skrmetti feels that each department should have an inventory of services and an indication of the level of quality they are trying to provide. Councilor Billing would support asking the Town Manager to come in with a level service budget as a starting place, with additional information on percentage decreases to be made available in January/February prior to the Council's action on departments' budgets. Councilor Bartinik proposes aggressive decreases and a list of prioritized department services. He suggested that department heads propose eliminating popular services knowing they will be reinstated.

Councilor Billing noted that the Council must acknowledge that department heads are busy and do not have a lot of time to spend on a 25%-40% reduction exercise. She rejects the idea that department heads propose cuts to popular programs and feels that the reality of the situation is that there is no service that when it is proposed to be cut isn't popular.

Councilor Wright noted incremental increases have a cumulative effect. If local property taxes are maintained at the current level, it would project to a budget of about the same size as the current budget, which is not an unreasonable target.

Councilors O'Beirne, Billing and Bond reiterated their suggestions.

A motion was made by Councilor Kolnaski, seconded by Mayor Watson, to direct the Town Manager to prepare a level service budget, with alternatives for a 5% or 10% decrease, to provide those alternatives to the Council in January or February, prior to the Council's consideration of department budgets, and to provide a guideline to the Board of Education of a 3.2% increase.

Councilor Skrmetti noted that the Council should provide some direction to the Board of Education since they are such a large part of the budget. Councilor Bartinik reminded the Committee that last year's directive was for a 0% increase. If the motion is passed, any reductions will have to be made during Town Council deliberations, which historically hasn't happened, and the figures can be

increased by a 2/3rds vote of the RTM.

A motion was made by Councilor Wright to direct the Town Manager to prepare a budget based on a level property tax. There was no second to the motion.

Councilor O'Beirne would recommend giving the Board of Education a flat percentage rate increase figure based on what the Town department heads come up with.

A motion was made by Councilor Kolnaski, seconded by Mayor Watson, to move the question.

The motion was defeated 4 votes in favor (Councilor Bartinik, Councilor O'Beirne, Councilor Kolnaski, and Mayor Watson), 5 opposed (Councilor Sheets, Councilor Billing, Councilor Bond, Councilor Skrmetti, Councilor Wright).

The Committee recessed at 8:25 p.m. and reconvened at 8:35 p.m.

A motion was made by Councilor Wright, seconded by Councilor Sheets, to direct the Town Manager to ask the department heads to develop a provisional budget based on the revenues that would be generated from a level property tax and any other projections that the Town Manager has for other funds that would impact the Town operations budget, assuming that the Board of Education will come in with about a 3% increase.

Councilor O'Beirne noted a 3% increase is a \$2-\$2.5 million increase in expenditures. The Town would have to make cuts to offset the increase in the Board of Education's budget to achieve that goal, which is not acceptable. Councilor Sheets feels it is acceptable and wants to see a 40% decrease. She feels that education is the most important thing besides security. Councilor Wright noted the potential for an increase in state funding. Councilor Skrmetti is opposed to the last motion, noting there are labor contracts in place for 3% increases. He expressed support for Councilor O'Beirne's motion with a recommended guideline to the Board of Education of a 3.2% increase. He cited an article in Connecticut Magazine rating Connecticut towns. Groton ranked seventh in the state (for its population range) and the third lowest in the state for equalized mill rate. Councilor Skrmetti feels that Groton has done a good job of managing the budget for a long time, but there must be some room for growth, otherwise it will start impacting the quality of life.

Councilor Sheets suggested that the exercise laid out is not necessary because it has already been done by Finance in the projections. Councilor Billing also supports Councilor O'Beirne's motion noting it is a starting point, and it doesn't mean there won't be reductions made at the Council and RTM levels.

The amended motion failed 4 votes in favor (Councilor Sheets, Councilor Bond, Councilor Bartinik, Councilor Wright), 5 opposed (Councilor Billing, Councilor Skrmetti, Mayor Watson, Councilor Kolnaski, Councilor O'Beirne).

The motion carried by the following vote:

Votes: In Favor: 5 - Mayor Watson, Councilor Billing, Councilor Kolnaski, Councilor O'Beirne, Jr. and Councilor Skrmetti

Opposed: 4 - Councilor Bartinik, Jr., Councilor Bond, Councilor Sheets and Councilor Wright

Discussed

Councilor Skrmetti spoke with the Town Manager during the break about preparing an inventory of Town services and Councilor Skrmetti feels the best plan of action would be to hire a consultant to come in to do an assessment.

A motion was made by Councilor Skrmetti, seconded by Councilor Bond, to ask the Town Manager to prepare a resolution and an estimate to hire a consultant to prepare an inventory of services provided by Town departments.

The Town Manager asked the Council to allow him to come back with some type of scope of work/narrative to make sure that everyone is on the same page regarding prioritization of services. The Town Manager's discussion with Councilor Skrmetti related to man-hours of effort,

which gets back to the efficiency issue. The Mayor suggested that this item be discussed at the next Committee of the Whole meeting. The motion and second were withdrawn.

A motion was made by Councilor Sheets, seconded by Councilor Bartinik, Jr., to prepare a resolution that the Town Manager direct the department heads to assume they will have a 40% reduction in their budget allocations for the next year and to come up with a description of the things they will accomplish as that department and its objectives it has assigned to it under that budget limitation. The purpose of the exercise is to force a close rethinking of what the department does and what can be left undone, if anything.

Councilor Sheets further noted the purpose of this exercise is to prepare the community for a possible situation where the sub base is closed and Electric Boat is reduced in force or function or closed. Councilor Billing suggested this should be a quick look at this issue, not a thorough analysis that will take the department heads a long time. Town Manager Oefinger suggested a more realistic exercise would be a study of the potential impacts from base realignment.

The motion failed by the following vote:

Votes: In Favor: 3 - Councilor Bartinik, Jr., Councilor Sheets and Councilor Wright
Opposed: 6 - Mayor Watson, Councilor Billing, Councilor Bond, Councilor Kolnaski, Councilor O'Beirne, Jr. and Councilor Skrmetti

Discussed

Councilor Skrmetti suggested that the only way to tackle the tax problem at the local level is to grow the grand list; and the only way to grow the grand list is to bring in new industries. He feels the Town needs to aggressively pursue economic development.

2004-0316

Reapportionment of the RTM

A motion was made by Councilor Billing, seconded by Councilor Skrmetti, that this matter be Recommended for a Resolution.

The motion carried unanimously.

2003-0054

Reorganization and Consolidation of Town and Board of Education Services

Discussed

The Committee discussed the list of topics for discussion at the joint meeting with the Board of Education. A number of items were removed from the list. Councilor Kolnaski would like to discuss capital improvements.

2004-0198

Joint Meeting with City Council

Discussed

The Committee discussed the joint meeting with the City Council and asked that these three items be placed on the agenda:

- City planner issue
- City highway/repaving needs
- FYE 2006 Budget

In response to a concern by Councilor Sheets, the Town Manager reiterated the history of the discussions with the City about repaving needs. A combined list of roads requiring work was developed in December 2001, but it was never followed up on and there was never a submittal by the City of Groton. In the pavement management system, it would be nice to address roads based on their scoring, but sometimes roads get moved around in the program based on available funding. In 2001, there were not many City streets in the top 20 or 30. The Town Manager expects to receive a request from the Mayor this year.

Discussion followed on funding the City planner position. Councilor Skrmetti feels that if the Town hires a full time planner for the City, it should be a Town employee. Councilor O'Beirne sees no reason that the Town couldn't provide the equivalent of a half time planner in dollars if

the City wants to fund a full time position. Councilor Bond feels that if the Town of Groton pays for a full time planner, that person should be a Town employee who provides service to the City.

The Town Manager supports providing planning services to the City necessary to the level required. If the planner is employed by the Town, the City has access to more planning services. Any replication of the Town's planning services is a duplication of effort, and if the Town funded a planner for the City, it would set a precedent for other areas of Town and for other services. Councilor Skrmetti added that a planner hired by the City goes against the concept of eliminating duplication of services.

Councilor Wright noted that the City has its own Planning Commission and regulations and the planner enforces those regulations when she is in the City. Also, the Town does not subsidize the City's zoning official or building inspector. She asked if it is appropriate for Town taxpayers to be subsidizing a planner who enforces City regulations. Since the City has elected to have its own planning regulations, they should fund their own planner. The Town Manager noted that the City is integral to the entire community and an integrated planning program is a benefit. Further integration of other areas of Town also makes sense. The City currently receives more than 20 hours of planning services per week, but the Town Manager supports providing whatever level of service it takes to do the job right.

The Town Manager noted that Mayor Popp has indicated there is nothing new to report on the progress of the Independence Committee.

2004-0207**Town Manager Annual Evaluation****Recommended for a Resolution**

A motion was made by Mayor Watson, seconded by Councilor Billing, to enter executive session at 9:30 p.m. to discuss 2004-0207 Town Manager Annual Evaluation.

The motion carried unanimously.

The executive session concluded at 10:28 p.m.

A motion was made by Councilor Skrmetti, seconded by Councilor Kolnaski, to enter executive session at 10:30 p.m. to discuss 2004-0207 Town Manager Annual Evaluation, and to invite the Town Manager to attend.

The motion carried unanimously.

The executive session concluded at 10:46 p.m.

A motion was made by Mayor Watson, seconded by Councilor Billing, to recommend for resolution a 3% increase in salary for the Town Manager.

The motion carried unanimously.

7. Consideration of Committee Referral Items as per Town Council Referral List

None.

8. OTHER BUSINESS

None.

9. ADJOURNMENT

A motion was made by Councilor Bond, seconded by Councilor Sheets, to adjourn at 10:50 p.m.

The motion carried unanimously.